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30 April 1958

MEMORANDUM FOR: Chairman, IAC Ad Hoc Committee on Exchanges

ATTENTION

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THROUGH : Assistant Director, ORR

THROUGH : Chief, Economic Research Area, ORR

THROUGH : Chief, Materials Division, ORR

FROM : Chief, Food and Agriculture Branch, D/M

SUBJECT : Agricultural Exchanges

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REFERENCE : Memorandum for Frederick T. Merrill from [REDACTED]
Jr., 15 April 1958, subject: "Agricultural Exchanges."

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1. As pointed out by [REDACTED] in his memorandum, the Soviets have refused to supply certain basic statistics requested by the Department of Agriculture in connection with the exchange program. In justifying the refusal, the Soviets stated that the statistics were not available in the USSR and a project to prepare them would require a large effort. A copy of the handbook, Narodnoe Khozyaystvo SSSR was presented by the Soviets to the Department of Agriculture, with the implication that the handbook should satisfy the requirements of the Department of Agriculture.

2. The members of the Food and Agriculture Branch of ORR feel that they have a responsibility in pointing out; (a) that the Soviet reason for refusal to provide the requested statistics does not appear to be valid and, (b) that the handbook does not satisfy the requirements.

3. The bulk of the statistics requested by the Department of Agriculture are basic to the operation of the Soviet economy and it can be easily demonstrated that many of these statistics are readily available in the USSR. For example, the index of grain production appearing on page 107 of the handbook, Narodnoe Khozyaystvo SSSR v 1956 gody would obviously have to be based upon readily available grain production figures in tons.

4. It is also obvious that the handbook does not satisfy the requirements. In fact, the questions were posed with the primary intent of clarifying and supplementing the statistics which appear in Narodnoe Khozyaystvo and other Soviet handbooks.

5. During the past week, the Food and Agriculture Branch of ORR has conducted a detailed review of Narodnoe Khozyaystvo and other comprehensive handbooks to evaluate them as sources for satisfying the requirements of the Department of Agriculture. The results of this review, relating the questions to pertinent tables in the handbooks, appear as an attachment. The paragraph numbers in the attachment correspond to the numbers of the questions which were presented to the Soviets. A copy of these questions is also attached.

6. Considerable effort has been expended in the preparation and review of the questions which were presented to the Soviets. Past experience has dictated the need for this effort. In a memorandum from the Food and Agricultural Branch of ORR to the Intelligence Information Staff of ORR, dated 23 January 1956, the following comment was made concerning the 1955 Agricultural Delegation to the USSR:

"Perhaps one of the more important results of the trip is the experience it provides as a basis for planning similar future trips.... The experience of the delegation in being repeatedly promised data which was never delivered should be kept in mind. Gale Johnson, a member of the U.S. delegation, has suggested that basic data should be requested and received before a delegation leaves the U.S."

Horace J. Davis, former Agricultural Attache in Moscow, has made suggestions similar to those of Gale Johnson.

7. It is regrettable that the requested information was not made a prerequisite to the agricultural exchange agreement. As stated in previous memoranda, it is the view of the Food and Agriculture Branch of ORR that, without the exchange of such basic information, the agricultural exchange program will yield a net loss to the U.S. in terms of technical and intelligence information.

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